

1 Q Did it happen more than once?
2 A A couple of times it did. Exactly when, normally
3 through the course of my divorce, as you know, and the
4 information Hope has supplied you all. When I was not
5 making the income to satisfy -- excuse me. Strike
6 that. When I was not able to provide in the way that
7 some think I should when the business was struggling
8 after the events of 9-11, as I attested to earlier, so,
9 yes. But do these amounts -- were they significant?
10 No. Is there an amount that the corporation still owes
11 me? Yes. Will I receive it? No. So --
12 Q You said that Harbin's rented space on Perry Street?
13 A I did not.
14 Q Because it owned that 1 percent of M&M Properties?
15 A Harbin's was a member of M&M Properties, LLC, and they
16 were a 1-percent member.
17 Q Okay.
18 A Harbin's never did pay rent above the mortgage and the
19 interest payment to the bank.
20 Q Oh. So Harbin's paid the mortgage payment?
21 A Right.
22 Q Okay. And that was sort of an informal rental
23 situation so that Harbin's could occupy that building?
24 A Yeah. The building was held by the corporation. We
25 pulled it out of the corporation and put it in this

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1 LLC, but we never did formally juice up the rent to
2 what other owners were doing, what my former business
3 partner was doing. We never tacked on the extra
4 thousand dollars in rent.
5 We just strictly paid the mortgage and the
6 interest, and then the K-1's flew through myself and my
7 sister each year and we unfortunately had to pay the
8 tax on that K-1, but we never even, quote, bonused that
9 money out to cover the tax, even though we were told to
10 do so by our accountants.
11 But we just -- I tried very hard to keep as
12 much cash and capital in the corporation, because this
13 was a small company, as much as I could.
14 Q Did M&M Properties -- I apologize if you've already
15 answered this -- did they own any other properties?
16 A No.
17 Q So they just owned Harbin's space on South Perry
18 Street?
19 A That's correct. And South Perry was an entire city
20 block. They owned that one parcel of property and
21 that's it, which the bank has subsequently foreclosed
22 on.
23 Q So there was no formal rental agreement between M&M
24 Properties and Harbin's?
25 A There might have been when it was first created, but

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1 there -- like an annual renewal that we pulled out or a
2 five-year lease or anything like that?
3 Q We are getting close to the end. I'm sure everybody's
4 bellies are rumbling. Do you remember when Harbin's,
5 Incorporated -- and I know we have talked about this,
6 but I just want to get it --
7 A Okay.
8 Q -- firm so that I can --
9 A I understand.
10 Q -- understand fully. I'm trying to understand when
11 Harbin's, Incorporated, stopped paying their debts to
12 Steelcase particularly. Do you remember when that was?
13 A I think it was right after Steelcase -- well, no. My
14 understanding was just flat refused to send that stupid
15 \$200 keyboard tray that held up a \$12,000 check payment
16 from the insurance company that I was going to
17 overnight to Marvis to keep the flow of business in.
18 2002, I think.
19 Q 2002?
20 A They would have records of that, their last open P.O.
21 date or ship order date when I was on super credit,
22 double secret management control with Marvis and
23 everybody else.
24 Q Right.
25 A Which was unfortunate, but, you know, that happened.

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1 Q And do you think in 2002 that the assets of Harbin's,
2 Incorporated, were greater than their liabilities and
3 debts?
4 A Again, I'd have to look at a balance sheet. I was
5 going through that divorce and I think if he hadn't
6 spoken to my ex-wife, I know other people have, and
7 trying to run that business; trying to maintain a
8 relationship with my children, and fighting an economy
9 that was in the tank for this industry was very
10 difficult.
11 So if I could tell you off the top of my
12 head, you know, I think you could tell by my testimony
13 today, I certainly would. I would have to look and
14 see. I don't have those records. I walked out of that
15 building on April 30th with bad memories and nightmares
16 and I didn't look back, and so if there's -- if you
17 have a record somewhere that I can look at, I'll be
18 happy to and then I can tell you yes, they exceeded, or
19 no, they did not. But I don't know off the top of my
20 head.
21 Q Are your records generally -- such records as this
22 (pointing to Exhibit 9), would that accurately reflect
23 -- that's a 2002 record. Would that accurately reflect
24 your assets and liabilities during 2002? I'm sorry.
25 When I said "that," that was Exhibit 9.

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